

FIDUCIARY FUNDS

PENSION TRUST FUNDS

The **Employees' Retirement Fund** receives employees' payroll deductions for retirement and the City's matching contributions. It pays pension benefits to retired City employees.

The **Firemen's Pension Fund** receives an annual property tax levy of up to \$0.45 per \$1000 of assessed value, a portion of the state-levied fire insurance premium tax, and General Fund contributions. These moneys pay for fire fighters' medical and pension benefits which are not covered by the State's Law Enforcement Officers' and Fire Fighters' Retirement System and/or industrial insurance.

The **Police Relief and Pension Fund** receives support almost entirely from the General Fund. The General Fund contributions pay for sworn police personnel's medical and pension benefits which are not covered by the state's Law Enforcement Officers' and Fire Fighters' Retirement System and/or industrial insurance.

AGENCY FUNDS

The **Guaranty Deposits Fund** holds temporary deposits of moneys from individuals or entities pending fulfillment of contractual agreements with the City.

The **Payroll Withholding Fund** receives City contributions and/or employee deductions for payroll taxes, such as Social Security (FICA), Medicare, and federal income tax; state retirement (LEOFF); savings bonds; and dependent child care. The contributions and deductions are paid to federal and state agencies and to other City funds.

The **Salary Fund** pays salaries to all active City employees. The funds that record the expenditures transfer moneys into this fund.

The **Voucher Fund** pays for all expenditures of the City except payroll, retirement benefits, and certain payments made by check or wire transfer. The funds that record the expenditures transfer moneys into this fund.

The **Residual Cash Investment Fund** receives cash available for investment from all funds. The common investment portfolio is managed by the Department of Executive Administration, Accounting/Treasury Services, which prorates the interest earnings and changes in fair value and transfers them to participating funds based on Ordinance 110749 and subsequent updates.

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COMBINING STATEMENT OF NET ASSETS
PENSION TRUST FUNDS
December 31, 2003
(In Thousands)

	Employees' Retirement	Firemen's Pension	Police Relief and Pension	Comparative Totals	
				2003	2002
ASSETS					
Cash and Equity in Pooled Investments	\$ 11,755	\$ 4,589	\$ 2,056	\$ 18,400	\$ 14,279
Short-Term Investments	33,057	-	-	33,057	22,886
Securities Lending Collateral	148,227	-	-	148,227	133,817
Investments at Fair Value					
U.S. Government Obligations	179,339	448	-	179,787	199,063
Domestic Corporate Bonds	138,206	-	-	138,206	171,506
Domestic Stocks	753,245	-	-	753,245	469,489
International Stocks	172,921	-	-	172,921	240,705
International Bonds	11	-	-	11	-
Mortgages	53	-	-	53	56
Real Estate	114,774	-	-	114,774	63,800
Alternative/Venture Capital	126,301	-	-	126,301	79,323
Total Investments at Fair Value	1,484,850	448	-	1,485,298	1,223,942
Receivables					
Employer - Due from Other Funds	122	8	-	130	266
Employer - Other	48	430	-	478	466
Employee	1,916	-	-	1,916	609
Interest and Dividends	2,752	2	-	2,754	4,440
Total Receivables	4,838	440	-	5,278	5,781
Equipment, at Cost, Net of Accumulated Depreciation	5	1	1	7	15
Total Assets	1,682,732	5,478	2,057	1,690,267	1,400,720
LIABILITIES					
Refunds Payable and Other - Due to Other Funds	633	2	33	668	675
Refunds Payable and Other - Other	6,361	674	1,224	8,259	8,190
Securities Lending Collateral	148,227	-	-	148,227	133,817
Total Liabilities	155,221	676	1,257	157,154	142,682
Net Assets Held in Trust for Pension Benefits	\$ 1,527,511	\$ 4,802	\$ 800	\$ 1,533,113	\$ 1,258,038

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**COMBINING STATEMENT OF CHANGES
IN DEFINED BENEFIT PLAN NET ASSETS
PENSION TRUST FUNDS**

For the Year Ended December 31, 2003

(In Thousands)

	Employees' Retirement	Firemen's Pension	Police Relief and Pension	Comparative Totals	
				2003	Restated 2002
ADDITIONS					
Contributions					
Employer	\$ 34,201	\$ -	\$ 334	\$ 34,535	\$ 36,808
Employer - Transfers In	-	-	7,069	7,069	7,089
Plan Member	36,243	-	-	36,243	39,388
Taxes and Other	-	9,167	-	9,167	7,658
Total Contributions	70,444	9,167	7,403	87,014	90,943
Investment Income (Loss)					
From Investment Activities					
Net Appreciation (Depreciation) in Fair Value of Investments	268,405	(28)	-	268,377	(149,149)
Interest	17,986	131	-	18,117	19,183
Dividends	7,727	-	-	7,727	10,630
Total Investment Activities Income (Loss)	294,118	103	-	294,221	(119,336)
Investment Activities Expenses					
Investment Management Fees	3,202	-	-	3,202	2,958
Performance Measurement Fees	94	-	-	94	77
Investment Custodial Fees	374	-	-	374	274
Total Investment Activities Expenses	3,670	-	-	3,670	3,309
Net Income (Loss) from Investment Activities	290,448	103	-	290,551	(122,645)
From Securities Lending Activities					
Securities Lending Income	2,121	-	-	2,121	2,636
Securities Lending Expenses					
Borrower Rebates	1,403	-	-	1,403	2,009
Management Fees	167	-	-	167	182
Total Securities Lending Expenses	1,570	-	-	1,570	2,191
Net Income (Loss) from Securities Lending Activities	551	-	-	551	445
Total Net Investment Income (Loss)	290,999	103	-	291,102	(122,200)
Total Additions	361,443	9,270	7,403	378,116	(31,257)
DEDUCTIONS					
Benefits	73,560	7,599	6,068	87,227	82,845
Refund of Contributions	13,218	-	-	13,218	12,020
Administrative Expense	1,838	442	313	2,593	2,554
Transfers Out	3	-	-	3	2
Total Deductions	88,619	8,041	6,381	103,041	97,421
Change in Net Assets	272,824	1,229	1,022	275,075	(128,678)
Net Assets - Beginning of Year	1,254,687	3,573	(222)	1,258,038	1,386,716
Net Assets - End of Year	\$ 1,527,511	\$ 4,802	\$ 800	\$ 1,533,113	\$ 1,258,038

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**COMBINING STATEMENT OF CHANGES
IN POSTEMPLOYMENT HEALTH CARE PLAN NET ASSETS
PENSION TRUST FUNDS
For the Year Ended December 31, 2003
(In Thousands)**

	Firemen's Pension	Police Relief and Pension	Comparative Totals	
			2003	2002
ADDITIONS				
Contributions				
Employer - Transfers In	\$ -	\$ 7,783	\$ 7,783	\$ 7,115
Taxes and Other	6,712	-	6,712	6,587
Total Additions	6,712	7,783	14,495	13,702
DEDUCTIONS				
Benefits	6,712	7,783	14,495	13,702
Change in Net Assets	-	-	-	-
Net Assets - Beginning of Year	-	-	-	-
Net Assets - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

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AGENCY FUNDS

For the Year Ended December 31, 2003

(In Thousands)

	<u>Balance January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31</u>
GUARANTY DEPOSITS FUND				
<i>Assets</i>				
Cash	\$ 4,770	\$ 9,875	\$ 10,841	\$ 3,804
Total Assets	<u>\$ 4,770</u>	<u>\$ 9,875</u>	<u>\$ 10,841</u>	<u>\$ 3,804</u>
<i>Liabilities</i>				
Accounts Payable	\$ 26	\$ -	\$ 26	\$ -
Deposits Payable	4,744	-	940	3,804
Total Liabilities	<u>\$ 4,770</u>	<u>\$ -</u>	<u>\$ 966</u>	<u>\$ 3,804</u>
PAYROLL WITHHOLDING FUND				
<i>Assets</i>				
Cash	\$ 1,272	\$ 170,452	\$ 170,400	\$ 1,324
Due From Other Funds	536	5	18	523
Total Assets	<u>\$ 1,808</u>	<u>\$ 170,457</u>	<u>\$ 170,418</u>	<u>\$ 1,847</u>
<i>Liabilities</i>				
Accounts Payable	\$ 256	\$ -	\$ 256	\$ -
Due to Other Funds	68	-	37	31
Salaries, Benefits, and Payroll Taxes Payable	1,350	352	28	1,674
Claims/Judgments Payable	134	8	-	142
Total Liabilities	<u>\$ 1,808</u>	<u>\$ 360</u>	<u>\$ 321</u>	<u>\$ 1,847</u>
SALARY FUND				
<i>Assets</i>				
Cash	\$ (32)	\$ 437,262	\$ 437,167	\$ 63
Due From Other Funds	88	-	88	-
Total Assets	<u>\$ 56</u>	<u>\$ 437,262</u>	<u>\$ 437,255</u>	<u>\$ 63</u>
<i>Liabilities</i>				
Accounts Payable	\$ -	\$ 2,526,074	\$ 2,526,074	\$ -
Due to Other Funds	14	-	14	-
Salaries, Benefits, and Payroll Taxes Payable	42	21	-	63
Total Liabilities	<u>\$ 56</u>	<u>\$ 2,526,095</u>	<u>\$ 2,526,088</u>	<u>\$ 63</u>

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COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

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AGENCY FUNDS

For the Year Ended December 31, 2003

(In Thousands)

	Balance January 1	Additions	Deductions	Balance December 31
VOUCHER FUND				
<i>Assets</i>				
Cash	\$ 1	\$ 2,188,854	\$ 2,188,853	\$ 2
Other Receivables	66	-	66	-
Total Assets	<u>\$ 67</u>	<u>\$ 2,188,854</u>	<u>\$ 2,188,919</u>	<u>\$ 2</u>
<i>Liabilities</i>				
Accounts Payable	\$ 2	\$ 2	\$ 2	\$ 2
Due to Other Funds	65	-	65	-
Total Liabilities	<u>\$ 67</u>	<u>\$ 2</u>	<u>\$ 67</u>	<u>\$ 2</u>
RESIDUAL CASH INVESTMENT FUND				
<i>Assets</i>				
Cash	\$ (3,172)	\$ 8,619,916	\$ 8,618,344	\$ (1,600)
Interest Receivable	5,663	-	2,871	2,792
Due from Other Funds	105	-	104	1
Total Assets	<u>\$ 2,596</u>	<u>\$ 8,619,916</u>	<u>\$ 8,621,319</u>	<u>\$ 1,193</u>
<i>Liabilities</i>				
Due to Other Funds	\$ 2,596	\$ -	\$ 1,403	\$ 1,193
Total Liabilities	<u>\$ 2,596</u>	<u>\$ -</u>	<u>\$ 1,403</u>	<u>\$ 1,193</u>
TOTALS - ALL AGENCY FUNDS				
<i>Assets</i>				
Cash	\$ 2,839	\$ 11,426,359	\$ 11,425,605	\$ 3,593
Interest Receivable	5,663	-	2,871	2,792
Due from Other Funds	729	5	210	524
Other Receivables	66	-	66	-
Total Assets	<u>\$ 9,297</u>	<u>\$ 11,426,364</u>	<u>\$ 11,428,752</u>	<u>\$ 6,909</u>
<i>Liabilities</i>				
Accounts Payable	\$ 284	\$ 2,526,076	\$ 2,526,358	\$ 2
Due to Other Funds	2,743	-	1,519	1,224
Salaries, Benefits, and Payroll Taxes Payable	1,392	373	28	1,737
Deposits Payable	4,744	-	940	3,804
Claims/Judgments Payable	134	8	-	142
Total Liabilities	<u>\$ 9,297</u>	<u>\$ 2,526,457</u>	<u>\$ 2,528,845</u>	<u>\$ 6,909</u>